STAND. COM. REP. NO.

Honolulu, Hawaii

MAR 1 9 2014

H.B. No. 1893 RE:

> H.D. 1 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Human Services, to which was referred H.B. No. 1893, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to support the American Red Cross by establishing the American Red Cross Hawaii State Chapter special fund and authorizing income tax return designations to the American Red Cross, Hawaii State Chapter.

Your Committee received testimony in support of this measure from the Hawaii State Civil Defense and American Red Cross, Hawaii State Chapter. Your Committee received testimony in opposition to this measure from the Department of Taxation. Your Committee received comments on this measure from the Department of Budget and Finance and Tax Foundation of Hawaii.

Your Committee finds that the American Red Cross, Hawaii State Chapter, responds to a disaster on average every four days and performs a public service for the people of Hawaii by providing disaster response and emergency preparedness services. The American Red Cross recruits, trains, and coordinates volunteers to be on call to provide immediate relief to disaster victims. Your Committee further finds that this measure provides funding to the American Red Cross, Hawaii State Chapter, so that it can better provide in-state disaster response services and help mitigate the loss of life and property when disasters occur. Your

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Committee received testimony expressing concern that establishing an income tax check-off box for a non-government entity will open the door to many other private entities requesting the same.

Your Committee has amended this measure by:

- (1) Replacing the American Red Cross Hawaii State Chapter special fund with the disaster response special fund, from which funds will be transferred annually to organizations that respond to disasters and train volunteers to provide shelter and other mass care activities during major disasters;
- (2) Inserting an effective date of January 1, 2015; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1893, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1893, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Human Services,

SUZANNE CHUN OAKLAND, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*			Dat	Date:	
HB 1893, HD1	HMS,	WAM	VAM 3-13-14		
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)				-	/
GREEN, M.D., Josh (VC)		\			
KIDANI, Michelle N.		/ /			
TANIGUCHI, Brian T.	·	/			
SLOM, Sam					
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TOTAL		3	д	0	2_
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes